

American Rescue Plan (ARP): Planning for Additional Funding for the DD Waiver

DDD's Stakeholders Presentation

May 20, 2021

Agenda

- What is the American Rescue Plan?
- What is required of states?
- Allowable uses of additional HCBS funds
- Pathway for strengthening HCBS in Hawaii
- How should Hawaii invest?
- Process for providing input

Overview Of Section 9817 of the American Rescue Plan

And how it is intended to be used to enhance, expand and strengthen Home and Community Based Services (HCBS)

What is the American Rescue Plan?

Signed into law by President Biden on March 11, 2021, to provide immediate pandemic-related relief including supporting the national vaccination program, relief to families, and struggling businesses and communities

Medicaid provisions designed to increase coverage, expand benefits, and increase federal funding for state Medicaid programs

§9817 provides states a 10% increase in the federal share of Medicaid-funded HCBS programs from April 1, 2021 through March 20, 2022

What does §9817 of the ARP require?

1) Additional federal funds must be used to supplement, not supplant, existing state funds in HCBS programs

2) States must use the enhanced funds to “implement, or supplement the implementation of, one or more activities to enhance, expand, or strengthen” Medicaid HCBS

CMS Guidance for Using Additional Funds

- Guidance issued on May 13
- Primary provisions:
 - Demonstrating compliance with “supplement not supplant” requirement
 - Timeframe to expend the funds
 - Examples of eligible activities
 - Expands the Retainer Payment policy
 - Requires States to submit an initial spending plan by June 12
- The guidance is available at <https://www.medicaid.gov/federal-policy-guidance/downloads/smd21003.pdf>

Why “supplement not supplant” matters

In order to demonstrate compliance with this requirement, states must:

- Not impose stricter eligibility standards, methods or procedures in place as of April 1
- Preserve covered services in effect as of April 1
- Maintain provider payments rates no less than those in place as of April

Caveat: Does not supersede laws and regulations for 1915(c) waivers

- For example: temporary changes under Appendix K will continue to expire at end date of authority (no later than six months post the public health emergency)

FUNDS MUST BE SPENT ON HCBS-RELATED SERVICES & INFRASTRUCTURE

Claiming and Spending

- The 10% increase in the federal share of costs applies to spending on DD Waiver services between April 1, 2021 and March 31, 2022.
- The states funds that are replaced with the additional federal funds must be kept in the program
 - These dollars combined with federal matching funds will likely total around \$30 million
 - These funds may be spent through March 31, 2024

Retainer Payments

- Retainer payments allow waiver providers to bill when circumstances prevent the individual from receiving the service.
- DDD, through the Appendix K authority, had previously implemented retainer payments. Federal rules restricted retainers to three 30-day periods.
- CMS is authorizing states to choose to offer up to three additional 30-day periods for calendar year 2021, which may be retroactive to 1/1/21.
- Guardrails will still apply. A new Appendix K application is required.

Addressing COVID-related concerns (Appendix C)

Example

activities

New Services

Increase Provider Payment Rates

*CMS expects increased compensation to direct support professionals

Supplies and Equipment

(such as personal protective equipment (PPE) and testing)

Workforce Supports

(such as training supports & incentive payments to recruit)

Supports for Family Caregivers

Assistive Technologies and Other Supports to Mitigate Isolation

Transition Support

Outreach

(such as educational and language assistance)

Access to Vaccines

HCBS capacity building and “LTSS rebalancing” (Appendix D)

Example

activities

New Services

Strategies to Improve Access

Strengthening Assessment & Person-Centered Practices

Quality Improvement

Cross-System Partnerships

Caregiver Training and Respite

Eligibility Systems

Community Transition

Expanding Self-Direction/ DSP Workforce

Cross-System Data Integration

IT and Telehealth

Access to Equipment & Devices

Enhance Care Coordination

Initial and Quarterly Spending Plan/Reporting

- Initial Spending Plan and assurances due to CMS on June 12, 2021
- CMS reviews and approves within 30 days
- Quarterly Spending Plans can update Initial Plan
- Guidance includes instructions for reporting/claiming

How Might Hawaii Invest?

Building on Current Initiatives and Waiver Requirements to “enhance, expand, or strengthen” the 1915(c) waiver

Hawaii's System Commitments

Possibilities!
NOW!

Individuals with intellectual and developmental disabilities have healthy, safe, meaningful and self-determined lives

System is adequately funded

Services are managed for fairness & equity

System embraces innovation & partnerships

Partnerships with families and other stakeholders are nurtured

System has effective programs with skilled staff

Possibilities NOW!



How might we **“enhance, expand, or strengthen”** the I/DD waiver?

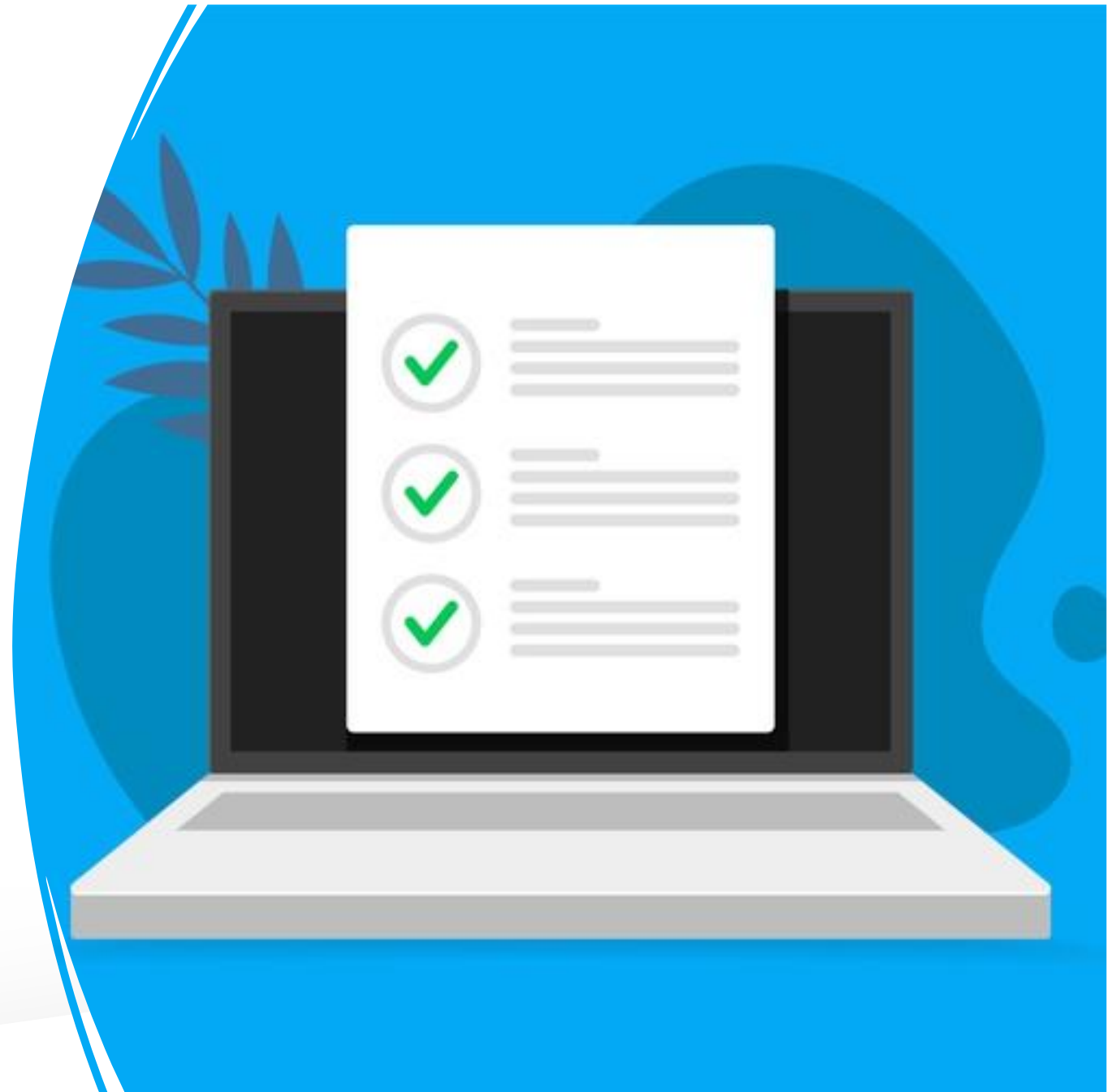
- What new services and supports might be needed?
- How can we further support community integration for individuals?
- What supports do families need that are not in the current array?
- How might we strengthen the direct support professional workforce?
- How do we improve the quality of services?
- How do we ensure our provider network is adequately funded?

Process for Providing Input

For Hawaii's ARP Enhanced FMAP Spending Plan

Survey

- Survey will be hosted by Health Management Associates
- Survey will be available through May 28
- Link will be available on our website – health.hawaii.gov/ddd
- Direct Link – <https://www.surveymonkey.com/r/QHHCSFJ>



Questions and Answers

Building on Current Initiatives and Waiver Requirements

Additional Questions?

Please email –

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VISIT OUR WEBSITE

<https://health.hawaii.gov/ddd>

